

MINUTES OF THE
SPECIAL MEETING OF THE
GOVERNING BODY
Santa Fe, New Mexico
September 29, 2003

AFTERNOON SESSION

A special meeting of the Governing Body of the City of Santa Fe, New Mexico was called to order on this date at approximately 3:00 p.m. in City Hall Council Chambers.

Following the Pledge of Allegiance and Invocation, Roll Call indicated the presence of a quorum, as follows:

Members Present:

Mayor Larry A. Delgado
Councilor Carol Robertson Lopez, Mayor *Pro Tem*
Councilor Patti J. Bushee [arriving 3:40 p.m.]
Councilor Miguel M. Chavez
Councilor David Coss
Councilor Karen Heldmeyer
Councilor Matthew E. Ortiz [arriving 3:16 p.m.]
Councilor David Pfeffer
Councilor Rebecca Wurzburger

Members Excused:

None.

APPROVAL OF AGENDA

There were no changes to the Agenda.

CONSIDERATION OF ANY SETTLEMENT OFFERS MADE BY LAS CAMPANAS IN CITY OF SANTA FE V. LAS CAMPANAS SANTA FE LIMITED PARTNERSHIP.

- a) **Executive Session Pursuant to §10-15-1 (H) (7) for the Limited Purpose of Discussing Matters Subject to Attorney-Client Privilege Pertaining to Pending Litigation; Status on City of Santa Fe v. Las Campanas Santa Fe Limited Partnership.**

Councilor Lopez moved to go into executive session pursuant to Section 10-15-1(H)(7) for the purpose cited on the agenda. Councilor Chavez seconded the motion, which passed on the following Roll Call vote:

For: Councilor Chavez; Councilor Coss; Councilor Heldmeyer; Councilor Lopez; Councilor Pfeffer; Councilor Wurzbarger.

Against: None.

Not present during this action: Councilor Bushee; Councilor Ortiz.

[Governing Body was in executive session from 3:05 p.m. until 5:00 p.m.]

Councilor Ortiz moved to come out of executive session and to declare that nothing was discussed other than the matters listed on the agenda. Councilor Wurzbarger seconded the motion, which passed 8-0 by voice vote, with Councilor Bushee, Councilor Chavez, Councilor Coss, Councilor Heldmeyer, Councilor Lopez, Councilor Ortiz, Councilor Pfeffer and Councilor Wurzbarger voting for, and none against.

Councilor Ortiz moved to recess this item and the executive session therewith to tomorrow, September 30, 2003, at 5:00 p.m.

Councilor Wurzbarger seconded the motion, which passed on the following Roll Call vote:

For: Councilor Chavez; Councilor Heldmeyer; Councilor Lopez; Councilor Ortiz; Councilor Wurzbarger.

Against: None.

Not present during this action: Councilor Bushee; Councilor Coss; Councilor Pfeffer.

RECESS: 5:00 p.m.

CONTINUATION OF SPECIAL MEETING

Sweeney Center, Main Floor

September 30, 2003

5:05 p.m.

Members Present:

Mayor Larry A. Delgado
Councilor Carol Robertson Lopez, Mayor *Pro Tem*
Councilor Patti J. Bushee
Councilor Miguel M. Chavez
Councilor David Coss
Councilor Karen Heldmeyer
Councilor Matthew E. Ortiz
Councilor David Pfeffer
Councilor Rebecca Wurzbarger

Members Excused:

None.

CONSIDERATION OF ANY SETTLEMENT OFFERS MADE BY LAS CAMPANAS IN CITY OF SANTA FE V. LAS CAMPANAS SANTA FE LIMITED PARTNERSHIP.

- a) **Executive Session Pursuant to §10-15-1 (H) (7) for the Limited Purpose of Discussing Matters Subject to Attorney-Client Privilege Pertaining to Pending Litigation; Status on City of Santa Fe v. Las Campanas Santa Fe Limited Partnership.**

Councilor Heldmeyer moved to continue the Special City Council Meeting of September 29, 2003 and to go into executive session for the limited purpose stated on the agenda. Councilor Lopez seconded the motion, which passed on the following Roll Call vote:

For: Councilor Coss; Councilor Heldmeyer; Councilor Lopez; Councilor Pfeffer; Councilor Wurzbarger.

Against: None.

Not present during this action: Councilor Bushee; Councilor Chavez; Councilor Ortiz.

[Governing Body was in executive session from 5:05 p.m. until 5:55 p.m.]

Councilor Lopez moved to come out of executive session and to declare that no matter was discussed in executive session beyond that which is shown on the agenda.

Councilor Chavez seconded the motion, which passed 8-0 by voice vote, with Councilor Bushee, Councilor Chavez, Councilor Coss, Councilor Heldmeyer, Councilor Lopez, Councilor Ortiz, Councilor Pfeffer and Councilor Wurzburger voting for, and none against.

Councilor Ortiz moved to accept the recommendation of counsel to enter into the settlement agreement that puts an end to the City of Santa Fe vs. Las Campanas Limited Partnership. Councilor Lopez seconded the motion.

Councilor Bushee thanked staff and particularly attorney Mark Sheridan for all of the due diligence on this case, which was a long and arduous process. She said, "I think they came out with the best deal that the City of Santa Fe could achieve in this matter. I think it's a good deal for the City."

Councilor Chavez commented that this has not been an easy decision for the Governing Body. He said the City will have to do some public outreach to explain to the general public why this is good for the city. He added that the numbers suggest that Las Campanas will reduce their potable water from 1 mgd to 400,000 gallons a day, but he hoped this would not send a message that all of this saved water will go only for new construction or new growth. He said he was hoping to see some of it go toward restoring some of the landscaping that people lost under the drought restrictions. He added that he hoped some City parks could also be restored and put back in service.

Mayor Delgado read some of the terms of the settlement:

"Las Campanas' total annual use of Buckman permit groundwater will be approximately 50% less than Las Campanas used in 2001.

"Las Campanas' annual use of Buckman permit groundwater for golf irrigation will be reduced by 422 acre-feet per year based on the use of 2001.

"The quantity of water delivered to Las Campanas for domestic and commercial purposes will be reduced by the same percentage as the delivery of the City's domestic and commercial customers is reduced in every water emergency management stage.

"In July 2003, Las Campanas used over one million gallons of Buckman permit groundwater per day for golf course irrigation. Next July, Las Campanas will use less than 460,000 acre-feet per day.

“The City’s obligation to provide effluent in the amount not to exceed 450 acre-feet per year represents less than 10% of the City’s annual supply of effluent.

“Las Campanas will pay the City’s commercial rate for water as it may increase from time to time for all Buckman permit groundwater that Las Campanas uses for golf course irrigation. This will be approximately \$429,139 in 2004.

“Also, Las Campanas will use primarily treated effluent for golf course irrigation. Las Campanas will pay the City for treated effluent at the rate of 50% of the City’s commercial rate for water as that rate may increase over time. The rate is higher than the lease rate. This will be approximately \$300,597 in 2004.

“The City will receive \$750,000 from Las Campanas, payable over five years, to be used toward the water-utility supply and infrastructure.”

Mayor Delgado stated that, with this agreement, the City of Santa Fe will save about 700,000 gallons of water per day.

Councilor Pfeffer commented, “This is like getting a brand-new well not only for free, but we’re getting paid to do it, and we don’t have to jump over all the hurdles and timelines in order to get it. This is a boon for the citizens of Santa Fe and I think our attorneys have done a wonderful job.”

Councilor Lopez remarked, “It’s clear to me, Mayor, after I hear you read all of those elements of the settlement, that we fought for every drop of water, and we certainly did well in terms of increasing the amount of water that Santa Feans will have to use.”

Councilor Coss said, “It wasn’t an easy decision to enter into this litigation, and it certainly wasn’t easy to pursue it. I think the benefit I like the best is that there is a date certain when this company gets their golf courses off of our water supply.”

Mayor Delgado noted that one of the settlement terms is that, as soon as the Buckman diversion project is on line, Las Campanas can no longer draw potable water from the Buckman system for their golf courses. He commented that it seems to him “really important that we move forward as quickly as we can with that project.”

Councilor Bushee commended this Governing Body, the first that has ever been willing “to take on Las Campanas,” for its persistence.

Councilor Heldmeyer said, “Mark Sheridan and his staff are a bunch of junkyard dogs who have fought every inch of the way on this, and the reason that we’re getting this agreement today is because of the victories that they have won in court over the last several months.”

The motion passed on the following Roll Call vote:

For: Councilor Coss; Councilor Heldmeyer; Councilor Lopez; Councilor Ortiz; Councilor Pfeffer; Councilor Wurzburger; Councilor Bushee; Councilor Chavez.

Against: None.

ADJOURN

Its business completed, the Governing Body adjourned the meeting at approximately 6:05 p.m.

Approved by:

Mayor Larry A. Delgado

ATTESTED TO:

Yolanda Y. Vigil, City Clerk

Respectfully Submitted:

Judith S. Beatty, City Council Reporter

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